# GOVERNMENT OF INDIA
# PLANNING
# LOK SABHA

UNSTARRED QUESTION NO:3412
ANSWERED ON:16.04.2008
DEFINITION OF BPL
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**Will the Minister of PLANNING be pleased to state:**

(a) the definition of poverty-line as per the current population and inflation in the country;

(b) the population living below the poverty-line in the year 1997 and the number of people living below the poverty line in the year 2007 i.e. during a decade;

(c) the facilities being provided to the people living below the poverty-line by the Central Government; and

(d) the steps being taken by the Government to improve the situation?

## Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI V. NARAYANASAMY)

(a) : The Planning Commission has defined the poverty line as per capita consumption expenditure of Rs.49.09 per month in rural areas and Rs.56.64 per month in urban areas at 1973-74 prices at national level. This corresponds to a basket of goods and services anchored on a norm of per capita daily calorie requirement of 2400 kcal in rural areas and 2100 kcal in urban areas. The state-specific poverty lines are derived from the national level poverty lines, using state- specific price indices and inter-state price differential. The poverty lines are periodically updated for price inflation. The state-specific poverty lines of 1973-74 are updated for the later years using state-specific Consumer Price Index of Agricultural Labourers (CPIAL) in the rural areas and Consumer Price Index of Industrial Workers (CPIIW) in the urban areas following the methodology contained in the Report of the Expert Group of Estimation of Proportion and Number of Poor. The latest estimate of the poverty line is available for the year 2004-05. The poverty line in 2004-05 is estimated as per capita monthly consumption of Rs.356.30 in rural areas and Rs.538.60 in urban areas.

(b) : The Planning Commission estimates the percentage and number of people living below the poverty line from the large sample surveys on household consumer expenditure conducted by the National Sample Survey Organization (NSSO) according to the methodology contained in the Report of the Expert Group on Estimation of Proportion and Number of Poor. The two latest comparable estimates of poverty are available for the year 1993-94 and 2004-05. As such, the number of people living below the poverty line during 1997 and 2007 are not available. Using the large sample survey data on household consumer expenditure conducted by the NSSO in its 50th Round (July 1993-June 1994) and 61stRound (July 2004-June 2005), the number of population living below the poverty line is estimated as 320.4 million in 1993-94 and 301.7 million in 2004-05.

(c) and (d) : A number of programmes to provide facilities to the people living below the poverty line are being implemented by the Central Government. The major schemes and programmes in this regard are:
(i) National Rural Employment Guarantee Programme, which provides a legal guarantee of at least 100 days of wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work,
(ii) Swarnjayanti Gram Swarozgar Yojana, a holistic programme of self-employment,
(iii) Indira Awaas Yojana, which provides assistance for construction of dwelling units and upgradation of existing unserviceable kutcha houses for the rural families. The Swaran Jayanti Shahri Rozgar Yojana provides gainful employment to the urban poor. The Targeted Public Distribution System provides food grains at reduced prices to the poor. The Antyodaya Anna Yojana provides food grains to the poorest of the poor families at a highly subsidized rate.

The Eleventh Five Year Plan has set the growth target for the economy at 9% per year for the Plan period (2007-12) and aims at putting the economy on a sustainable growth trajectory with a growth of approximately 10% by the end of its period. The per capita consumption in the process is projected to double in the next ten years. In addition to the benefits of increase in income arising from the general growth process, the abovementioned programmes, which provide facilities to the people living below the poverty line, has its consequent impact on the reduction of poverty and thus improvement of the situation.